

## Message Text

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ORIGIN EUR-12

INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-05 H-01 INR-10  
L-03 NSAE-00 PA-01 SP-02 SS-15 CEA-01 STR-07  
AID-05 COME-00 EB-08 FRB-03 TRSE-00 XMB-02  
OPIC-03 LAB-04 SIL-01 OMB-01 NSCE-00 ICAE-00  
INRE-00 OES-07 AGRE-00 HA-05 /097 R

DRAFTED BY EUR/CE:VGRAY:DHT  
APPROVED BY P:AMBASSADOR NEWSON  
EUR:JEGOODBY  
EUR/CE:WWOESSNER  
H:TWESTON(INFO)  
DOC/BEWT:SPORTER(INFO)  
-----081493 121217Z /45

O R 121153Z MAY 78  
FM SECSTATE WASHDC  
TO AMEMBASSY BERLIN IMMEDIATE  
INFO AMEMBASSY BONN  
AMEMBASSY LONDON  
AMEMBASSY PARIS  
USMISSION USBERLIN

C O N F I D E N T I A L STATE 121299

E.O. 11652: GDS

TAGS: OVIP, PGOV, GE,US

SUBJECT: BEIL VISIT: MEETINGS WITH UNDER SECRETARY  
NEWSOM AND SENATOR JAVITS

REF: STATE 114732 NOTAL

1. SUMMARY: DURING BUSY THREE-DAY VISIT USEFUL TO  
BOTH SIDES, GDR FOREIGN TRADE STATE SECRETARY GERHARD BEIL  
MET WITH SENATOR JAVITS, UNDER SECRETARY NEWSOM,  
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ASSISTANT SECRETARY DERIAN, UNDER SECRETARY OF COMMERCE  
HARMAN, ASSISTANT SECRETARY OF COMMERCE WEIL AND ACTING  
SECRETARY OF AGRICULTURE FOREMAN. COMMERCE AND  
AGRICULTURE CALLS WILL BE TREATED BY SEPTTEL AS WILL CALL  
ON ASSISTANT SECRETARY DERIAN. THIS CABLE DEALS  
WITH CALLS ON NEWSOM AND JAVITS, BOTH OF WHOM STRESSED  
MAJORITY OF POINTS PARA 2 AND 3 REFTTEL AS BASIS FOR

AGENDA FOR JUNE 6 MEETING BETWEEN SECRETARY AND FOREIGN MINISTER FISCHER. BEIL, WHO STRESSED NEED FOR TRADE EXPANSION, TOOK NOTE OF U.S. CONCERNS AND PROMISED TO "REPORT IN NEXT FEW DAYS" TO FISCHER, WHO, HE SAID, IS "PREPARING TO ADDRESS CONSULAR CONVENTION AND SEVERAL AREAS WHERE RELATIONS CAN BE NORMALIZED." THE MEETINGS WERE FRANK BUT CORDIAL, WITH BEIL DISPLAYING UNCHARACTERISTIC CONGENIALITY THROUGHOUT. END SUMMARY.

2. ASKED BY UNDER SECRETARY NEWSOM HOW HE SAW US-GDR RELATIONSHIP DEVELOPING, BEIL SAID HE WOULD LIMIT HIS ASSESSMENT TO HIS AREAS OF COMPETENCE--FOREIGN TRADE AND SCIENCE AND TECHNOLOGY. IN LAST TWO YEARS, HE BEGAN, THERE HAS BEEN SIZEABLE GROWTH IN THE FOREIGN TRADE AREA WHICH, "FOR REASONS WE BOTH KNOW," HAS NOT BEEN REFLECTED IN STATISTICS. TICKED OFF AS SPECIFICS WERE AGREEMENTS WITH LARGE U.S. FIRMS; THE US-GDR TRADE AND ECONOMIC COUNCIL FOUNDED, ACCORDING TO BEIL, "AT THE SUGGESTION OF STATE AND COMMERCE"; THE "WORTHWHILE" U.S. PARTICIPATION AT LEIPZIG; AND GDR TECHNICAL DAYS "SUCCESSFULLY" INAUGURATED IN NEW YORK IN "FOOTSTEPS OF US SEMINARS IN GDR." CITING LACK OF MFN, BEIL ACKNOWLEDGED THAT THERE WERE ALSO PROBLEMS. ALLOWING THAT THAT WAS PROBABLY "TOO BIG A THEME FOR TODAY'S TALK," HE MOVED QUICKLY TO STEPS THAT CAN BE TAKEN  
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BELOW LEVEL OF MFN AND SPECIFICALLY SOUGHT TO ENLIST SUPPORT OF AMBASSADOR NEWSOM FOR TWO NEW FTO'S IN NEW YORK (JENOPTIK AND UNITECHNA). THESE OFFICES, BEIL CONTINUED, WOULD HELP ADVANCE ECONOMIC RELATIONS AND WOULD BE SIMILAR TO OFFICES OF AMERICAN FIRMS THAT ARE "ALREADY OPERATING IN BERLIN."

3. AMBASSADOR NEWSOM REPLIED THAT WE, TOO, SHARE DESIRE TO WIDEN ECONOMIC AND CULTURAL RELATIONS. HE WAS PLEASED, HE SAID, TO HEAR ABOUT THE SEMINARS AND BEIL'S POSITIVE IMPRESSIONS OF THE TRADE AND ECONOMIC COUNCIL AND OUR PARTICIPATION AT LEIPZIG. WE AGREE, HE CONTINUED, THAT THERE ARE OPPORTUNITIES FOR DEVELOPMENT OF TRADE EVEN WITHOUT MFN BUT WARNED THAT ABILITY TO MOVE FORWARD IS DEPENDENT ON OPINION IN CONGRESS AND THAT PROCESS OF NORMALIZATION OF TRADE DEPENDS ON RESOLUTION OF WIDER ISSUES. IN THIS REGARD, NEWSOM THOUGHT IT MIGHT BE USEFUL TO SHARE A LIST OF SUCH ISSUES THAT NEED TO BE EXAMINED, PERHAPS BY FOREIGN MINISTER FISCHER. BEIL HAVING SAID THAT HE WOULD WELCOME SUCH AN EXPOSITION AS A MEANS OF PREPARING FISCHER FOR HIS MEETING WITH THE

SECRETARY, NEWSOM SAID THAT HIGH ON THE AGENDA WOULD BE HUMAN RIGHTS SUCH AS DIVIDED FAMILIES. HE WAS, HE ADDED, PLEASED THAT THE GDR HAD RECENTLY SOLVED SEVERAL SUCH, CASES, SINCE THIS WOULD HAVE A FAVORABLE IMPACT ON OPINION. ALSO IMPORTANT WOULD BE A CONSULAR CONVENTION THAT WOULD "PROTECT AMERICAN CITIZENS IN THE GDR WITHOUT THE COMPLICATIONS THAT COULD ARISE IF WE FORMALLY RECOGNIZED GDR NATIONALITY." WE WOULD, NEWSOM CONTINUED, LIKE TO SEE PROGRESS ON THIS ISSUE ON THE BASIS OF THE SECRETARY'S SEPTEMBER PROPOSAL FOR SEPARATE STATEMENTS. TURNING TO CLAIMS, THE "RESOLUTION OF WHICH IS NECESSARY TO COMPLETE THE NORMALIZATION PROCESS," NEWSOM SAID THAT THE MARCH 28 EXPERTS MEETING

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HAD BEEN "HELPFUL" AND SHOULD BE FOLLOWED UP ON.

4. ALLUDING TO AN UNDEFINED "SIMILARITY OF OPINIONS," BEIL SAID THAT HE KNEW THAT FISCHER IS PREPARED TO DISCUSS THE CONSULAR CONVENTION AND "ALL THAT WOULD SERVE THE EXPANSION OF RELATIONS" ON JUNE 6. NOTING THAT IT WAS "EXTRAORDINARILY USEFUL "TO TALK IN THIS WAY ABOUT THE JUNE 6 AGENDA, BEIL PROMISED THAT HE WOULD "REPORT IN THE NEXT FEW DAYS TO FISCHER, SO THAT HIS DISCUSSIONS WITH THE SECRETARY WILL BE FRUITFUL."

5. IN CLOSING, BEIL RETURNED BRIEFLY TO THE QUESTION OF FTO'S, COMPLAINING THAT THE OPENING OF THE WMW OFFICE IS BEING DELAYED, SINCE THE STAFF CAN ONLY GET B-1 RATHER THAN L-1 VISAS, AND PRESSING FOR AN ANSWER ON THE REQUEST FOR THE JENOPTIK AND UNITECHNA OFFICES. AMBASSADOR NEWSOM PROMISED TO LOOK INTO THE MATTER BEFORE FISCHER'S MEETING WITH THE SECRETARY.

6. DURING A MAY 11 BREAKFAST WITH SENATOR JAVITS, ARRANGED DIRECTLY BY EMBASSY AND ATTENDED ALSO BY AMBASSADOR SIEBER AND COMMERCIAL COUNSELOR LANGE, THE SENATOR TOLD BEIL THAT THE GDR HAS AN IMAGE PROBLEM IN THE U.S. WHERE IT IS PERCEIVED AS "TIGHT-FISTED AND HEAVY-HANDED." HE URGED THE GDR GOVERNMENT TO SHOW A "MORE HUMANE ATTITUDE" TOWARD DIVIDED FAMILIES AND ITS OWN CITIZENS, AND, POINTING TO THE FACT THAT ROMANIA HAD ACHIEVED MFN, SUGGESTED THAT THE GDR COULD ACHIEVE THE SAME BY MODIFYING ITS EMIGRATION POLICIES. HE ALSO URGED THE GDR TO SETTLE THE CONSULAR CONVENTION ISSUE, WHICH "IS ALWAYS

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THE FIRST STEP IN THE NORMALIZATION PROCESS," AND TO RESOLVE THE OUTSTANDING CLAIMS OF AMERICANS. NOTING THAT THE FRG HAD IMPROVED ITS IMAGE BY ITS RESTITUTION POLICIES, THE SENATOR SAID THAT THE GDR MUST MAKE SIMILAR MOVES.

7. BEIL RESPONDED BY CLAIMING THAT THE GDR, THROUGH REPARATIONS TO POLAND AND THE USSR, HAD MADE FAR GREATER RESTITUTION PAYMENTS THAN THE FRG. WITH REGARD TO "COMPASSIONATE" HUMANITARIAN CASES, HE CONTINUED, THE GDR HAS A "NEW POLICY." BEIL ALSO CLAIMED TO BE UNAWARE OF ANY BACKLOG OF DIVIDED FAMILIES SINCE HELSINKI.

8. COMMENT: IN ALL HIS MEETINGS, BEIL DISPLAYED UNUSUAL CORDIALITY AND SEEMED TO ACCEPT OUR FRANK STATEMENTS OF USG DESIDERATA FOR WHAT THEY WERE; I.E., WELL-INTENTIONED SUGGESTIONS FOR STEPS THAT WOULD PRODUCE FORWARD MOTION IN OUR RELATIONS. THE INTENSITY OF HIS EXPRESSIONS OF INTEREST IN INCREASED TRADE SUGGEST THAT THERE MAY NOW, IN FACT, BE GREATER GDR INTEREST IN AND NEED FOR IMPROVED RELATIONS. AT VERY LEAST, THE AGENDA FOR FISCHER'S MEETING WITH THE SECRETARY HAS BEEN MADE CLEAR. VANCE

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## Message Attributes

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